

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Rel. No. 51646 / May 2, 2005

Admin. Proc. File No. 3-11776

In the Matter of
LONNIE DRAGON,
Respondent.

NOTICE THAT ORDER IMPOSING REMEDIAL SANCTION BY DEFAULT HAS BECOME FINAL

On December 17, 2004, the Commission issued an Order Instituting Proceedings ("OIP") against Lonnie Dragon. Dragon failed to file an answer to the OIP. At the prehearing conference on January 24, 2005, Dragon indicated that he would not defend the proceeding. The Division of Enforcement orally moved for entry of judgment by default against Dragon pursuant to Rule 155 of the Commission's Rules of Practice. 1/

On February 7, 2005, the law judge entered a default against Dragon, ordering that, pursuant to Section 15(b) of the Securities Exchange Act of 1934, Dragon was barred from association with any broker or dealer ("Order"). 2/ The Commission's records reflect that Dragon received the Order on February 12, 2005. Dragon has not filed a motion to set aside the default. On April 20, 2005, the Division asked the Commission to declare the Order final.

Although Dragon was served, he has not responded to the Division's motion. We believe that, in accordance with Rule 155(b) of the Rules of Practice, a reasonable time to set aside the default has passed. 3/

1/ 17 C.F.R. § 201.155.

2/ Lonnie Dragon, Order Making Findings and Imposing Sanction by Default, Securities Exchange Act Rel. No. 51142 (Feb. 7, 2005), __ SEC Docket ____.

3/ 17 C.F.R. § 201.155(b).

Accordingly, notice is hereby given, pursuant to Rule 360(e) of the Commission's Rules of Practice, 4/ that the Order has become the final decision of the Commission with respect to Dragon. The Order, which barred Dragon from association with any broker or dealer, is hereby declared final.

For the Commission by the Office of the General Counsel, pursuant to delegated authority.

Jonathan G. Katz
Secretary

4/ 17 C.F.R. § 201.360(e).